

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Lands – Representation of M/s. Coastal Andhra power Limited (CAPL) for change in line of activity from coal based ultra-mega power project to set up Green hydrogen and green Ammonia facility including setting up of a PV based power generation and other green energy associated projects and request for change in equity structure, retaining not less than 51% with the parent company/affiliates/associates within the group subject to withdrawal of court case - Orders - Issued.

INDUSTRIES AND COMMERCE (INFRA) DEPARTMENT

G.O.Ms.No.113,

Dated: 09.11.2023.

Read the following:

1. Representation from the Authorised Signatory, M/s. Coastal Andhra Power Limited (CAPL), dt.08.09.2023 along with DPR.
2. Letter Rc.G4-2060/2015, dt.13.10.2023 of the Collector & District Magistrate, SPSR Nellore District addressed to the Commissioner of Industries.
3. Minutes of the State Investment Promotion Board meeting held on 30.10.2023.

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ORDER:

In his letter in the 1st read above, the Authorized Signatory, M/s. Reliance Coastal Andhra Power Limited, has informed that the Ministry of Power, Gol., had launched the Ultra Mega Power Project Policy (UMPP) to augment the power generation capacity in the country, with Power Finance Corporation (PFC) as the nodal agency and PFC formed Special Purpose Vehicles to develop these projects of 4,000 MW each at a single location, and facilitate tie up of inputs including procurement of land required for the project from the respective states. He further stated that Coastal Andhra Power Limited (CAPL) - one of the 4,000 MW UMPP - was to be developed near eastern coast at Krishnapatnam in the State of AP based on imported coal sought to be supplied from Indonesia. The project was awarded to Reliance Power Limited (RPL) and RPL acquired 100% shareholding of CAPL in January 2008 after emerging as the successful bidder. The coal required for the project was sought to be supplied from Indonesia, wherein RPL acquired coal mining rights. But, the construction works stopped in June 2011 as the project became unviable due to enactment of new regulation by the Government of Indonesia prohibiting export of coal below benchmark price, also affecting the global coal market.

2. He further stated that imported coal-based projects set up in the country are facing various challenges and UMPP are no longer feasible. Further, there is increased awareness on environment and climate change aspects from pollution

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arising from usage of conventional fossil fuels. Hence, Government of India has embarked on an ambitious target of 500 GW of renewable energy (RE) capacity by 2030 and there is massive shift towards RE capacity addition. Green Hydrogen is expected to play an important role in this energy transition and Green Ammonia production has been identified as one of the first applications of Green Hydrogen to become commercially viable. He has further informed that they proposed to set up a green hydrogen and green ammonia facility at land designated for Krishnapatnam Ultra mega Power Project, SPSR Nellore district is as follows:

- a. Pilot project for setting up 100 MW electrolyser, followed by :
 - b. 25,000 TPA Hydrogen
 - c. 1,25,000 TPA Ammonia
 - d. Other renewable energy based projects which include green hydrogen and ammonia project and any other green projects / industries including setting up of electrolyzers manufacturing, Hydrogen Compressor Manufacturing, Solar Cell and Module Manufacturing Battery Storage, Energy Storage, Renewable power generation, Green Methanol Sustainable Aviation Fuel, Fuel Cell manufacturing etc., and associated facilities with infrastructure including setting up all upstream and downstream facilities.
3. In this regard, he has requested the Government on the following:
- a. Government of AP to withdraw the notices issued for resumption of land allotted to Coastal Andhra Power Limited at Nellore District
 - 1) Resumption Order No. Rc. G4. 2060/2015, dt.22.07.2017,
 - 2) Resumption Order No. Rc. G4. 2060/2015, dt.25.02.2021 and Resumption Order No. Rc. E2/5981/2008, dt.27.02.2021.
 - b. Pursuant to withdrawal of above mentioned resumption notices by GoAP, CAPL to withdraw pending litigation at AP High Court (Writ Petition No.33246 of 2017 and W.P.No.5058 of 2021) related to resumption of land.
 - c. GoAP to allow the change of land use from coal based UMPP to setting up of Renewable Energy based projects which include Green Hydrogen and Ammonia Project and any other green projects / industries etc.
 - d. Provision for adequate water and power interconnection facilities for the Project.
 - e. Provide all concessions and benefits available to other green hydrogen and industrial projects as per AP Green Hydrogen and Green Ammonia Policy (2023) and AP Industrial Policy 2023-27.
4. In his Letter 2nd read above, the Collector & District Magistrate, SPSR Nellore District, has informed that land to an extent of Acs.2635.50 Cts in Krishnapatnam and other Villages in SPSR Nellore District (an extent of Acs.2068.245 of Patta lands and Endowment lands, DKT/CJFS lands to an extent of Acs 481.24 and Government lands of Acs 86.02) were handed over for the

purpose of establishment of Coastal Andhra Power Limited (Reliance Power Company Ltd) on different dates i.e., on 03.05.2008, 15.07.2008 & 15.10.2008. Even elapse of more than 10 years, the requisition body i.e., Coastal Andhra Power Limited, Krishnapatnam, has failed to establish the Power Project by violating the general conditions of BSO-24(6) as amended in G.O.Ms.No.783, Revenue (LA) Department, dt.09.10.1998 and rule-34 of A.P. Right to Fair Compensation and Transparency in Land Acquisition Rehabilitation and Resettlement (RFCTLA R&R) Rules 2014 read with Section-101 of RFCTLA R&R Act, 2013, and hence, the Govt. of A.P. have issued directions to the District Collector, SPS Nellore to take immediate action for resumption of the lands duly following the procedure vide Memo No.REVO1-LANAOLAND/94/2020-LANDS-6, dt.20.02.2021.

5. The Collector & District Magistrate, SPSR Nellore further informed that prior to issuance of directions from the Govt., a show cause notice has already been issued to M/s. Coastal Andhra Power Limited (CAPL), vide Show Cause Notice Rc.G4/2060/2015, dt.24.12.2020, calling for explanation as to why the lands under reference should not be taken back for non- utilization of the lands for the purpose for which it was granted and thereby violation of conditions of grant. After due consideration of the explanation offered by the Company, necessary orders have been issued by resuming the lands to the Government for infringement of conditions of grant by the grantee vide Proceeding Rc.G4/2060/2015, dt.25.02.2021 and RC. E2.5981/2008, dt.27.02.2021 and the Tahsildars of Muthukur and TP Gudur have been directed to take back the possession of the Patta & Govt. lands measuring of Acs 2635.50 cents from the Coastal Andhra Power Limited (CAPL). Thereupon, the Revenue Divisional Officer, Nellore has reported that the Tahsildars of Muthukur and T.P Gudur have reported by the Tahasildar, Muthukur, RC. B(LA)/46/2021, dated 27/02/2021 and Tahasildar T.P. Gudur, RC. B(LA)368/2008, dated 27/02/2021 that they have taken possession of the subject lands on 27.02.2021 duly conducting Panchanamas in the premises of the Administrative building of the company at Krishnapatnam village.

6. The Collector & District Magistrate, SPSR Nellore informed that aggrieved by the orders of resumption, the Coastal Andhra Power Limited (CAPL) filed a Writ Petition No.5058 of 2021 before the Hon'ble High Court of A.P. and the Hon'ble High Court of A.P has issued interim orders at the time of admission itself as given below:

"However, keeping in view the balance of convenience and the irreparable prejudice in favour of the petitioners, there shall be a direction to both parties to maintain status quo with regard to the subject matter lands existing as on today. As there is a dispute with regard to Panchanama stated to have been conducted on 27.2.2021 and taking over possession, there shall be a further direction to the respondents not to take further steps in any manner pursuant to the said Panchanama".

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7. Vide reference 3rd read above, the request of M/s. Reliance Coastal Andhra Power Limited with the status of the court case has been placed before the State Investment Promotion Board (SIPB) meeting held on 30.10.2023 with the recommendations of the State Investment Promotion Committee (SIPC) meeting held on 20.10.2023. The SIPB has discussed the proposal in detail and agreed the following:

- i. Change in line of activity from coal based ultra-mega power project to set up Green hydrogen and green Ammonia facility including setting up of a PV based power generation and other green energy associated projects after withdrawal of the resumption orders by the District Administration and withdrawal of court cases by the firm.
- ii. Permitted for change in equity structure, retaining not less than 51% with the parent company/affiliates/associates within the group.

8. Government after careful examination of the proposal, hereby accord permission to M/s. Reliance Coastal Andhra Power Limited for change in line of activity from coal based ultra-mega power project to set up Green hydrogen and green Ammonia facility including setting up of a PV based power generation and other green energy associated projects after withdrawal of the resumption orders by the District Administration and withdrawal of Court cases by the firm and also for change in equity structure, retaining not less than 51% with the parent company/affiliates/associates within the group.

9. The Collector & District Magistrate, SPSR Nellore, Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Limited and the Commissioner of Industries, A.P., shall take necessary action in the matter accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

N. YUVARAJ
SECRETARY TO GOVERNMENT & CIP

To

The Commissioner of Industries, APIIC Towers, Mangalagiri, Guntur District, A.P.
The VC&MD, APIIC Ltd., APIIC Towers, Mangalagiri, Guntur Dist., A.P. – 522 503.

The Collector & District Magistrate, SPSR Nellore.

M/s. Reliance Coastal Andhra Power Limited, Reliance centre, Ground Floor,
19, Walchand Hirachand Marg, Ballard Estate, Mumbai-400001

Copy to:

The Energy Department, A.P. Secretariat, Velagapudi.

The Revenue Department, A.P. Secretariat, Velagapudi.

The General Administration (Cabinet) Department, A.P. Secretariat, Velagapudi.

(W.r.t. the Council Resolution No.344/2023, dt.06.11.2023.)

The P.S. to Special Chief Secretary to C.M., A.P. Secretariat, Velagapudi.

The P.S. to Hon'ble Minister (III&C and IT), A.P. Secretariat, Velagapudi.

The P.S. to Chief Secretary to Government, A.P. Secretariat.

The P.S. to Secretary to Govt. & CIP., Ind & Com Dept, A.P. Secretariat.

//FORWARDED BY: ORDER//


SECTION OFFICER

